

CITY OF TIGARD, OREGON

RESOLUTION NO. 05- 51

A RESOLUTION ESTABLISHING SANITARY SEWER REIMBURSEMENT DISTRICT NO. 35
(SW ASH AVENUE)

WHEREAS, the City has initiated the Neighborhood Sewer Extension Program to extend public sewers and recover costs through Reimbursement Districts in accordance with TMC Chapter 13.09; and

WHEREAS, the property owners of proposed Sanitary Sewer Reimbursement District No. 35 (SW Ash Street) have been notified of a public hearing in accordance with TMC 13.09.060 and a public hearing was conducted in accordance with TMC 13.09.050; and

WHEREAS, the City Engineer has submitted a report describing the improvements, the area to be included in the Reimbursement District, the estimated costs, a method for spreading the cost among the parcels within the District, and a recommendation for an annual fee adjustment; and

WHEREAS, the City Council has determined that the formation of a Reimbursement District as recommended by the City Engineer is appropriate.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1 The City Engineer's report titled "Sanitary Sewer Reimbursement District No. 35", attached hereto as Exhibit A, is hereby approved.

SECTION 2 A Reimbursement District is hereby established in accordance with TMC Chapter 13.09. The District shall be the area shown and described on Exhibit B. The District shall be known as "Sanitary Sewer Reimbursement District No. 35, SW Ash Avenue."

SECTION 3 Payment of the reimbursement fee as shown in Exhibit A is a precondition of receiving City permits applicable to development of each parcel within the Reimbursement District as provided for in TMC 13.09.110.

SECTION 4 An annual fee adjustment, at a rate recommended by the Finance Director, shall be applied to the Reimbursement Fee.


SECTION 5 The City Recorder shall cause a copy of this resolution to be filed in the office of the County Recorder and shall mail a copy of this resolution to all affected property owners at their last known address, in accordance with TMC 13.09.090.

SECTION 6 This resolution is effective immediately upon passage.

PASSED: This 9th day of August 2005.


Mayor - City of Tigard

ATTEST:


City Recorder - City of Tigard

RESOLUTION NO. 05 - 51

Exhibit A
City Engineer's Report
Sanitary Sewer Reimbursement District No. 35
(SW Ash Avenue)

Background

This project will be constructed and funded under the City of Tigard Neighborhood Sewer Extension Program (NSEP). Under the program the City of Tigard would install public sewers to each lot within the project area. At the time the property owner connects to the sewer, the owner would pay a connection fee, currently \$2,635, and reimburse the City for a fair share of the cost of the public sewer. There is no requirement to connect to the sewer or pay any fee until connection is made. In addition, property owners are responsible for disconnecting their existing septic system according to Washington County rules and for any other modifications necessary to connect to the public sewer.

Project Area - Zone of Benefit

Serving the nine lots in the following table will require the extension of an existing sewer in SW Ash Avenue 510 feet south and west. Further extension of the line could have also provided service to 13700 SW Ash Street. However, this lot could be directly served by another existing sewer in Ash Street so it is not proposed to be included in the district. City staff has discussed service options with the owner.

The proposed project would provide sewer service to a total of nine lots as shown on Exhibit Map B.

Cost

The estimated cost for the sanitary sewer construction to provide service to the nine lots is \$97,106. Engineering and inspection fees amount to \$13,109 (13.5%) as defined in TMC 13.09.040(1). The estimated total project cost is \$110,215. This is the estimated amount that should be reimbursed to the sanitary sewer fund as properties connect to the sewer and pay their fair share of the total amount. However, the actual amount that each property owner pays is subject to the City's incentive program for early connections.

In addition to sharing the cost of the public sewer line, each property owner will be required to pay a connection and inspection fee, currently \$2,635, upon connection to the public line. All owners will be responsible for all plumbing costs required for work done on private property.

Reimbursement Rate

All properties are zoned R-4.5 but vary in lot size from about ten thousand to twenty-seven thousand square feet as can be seen in the following list of lots. Therefore, it is recommended that the total cost of the project be divided among the properties proportional to the square footage of each property.

Other reimbursement methods include dividing the cost equally among the owners or by the length of frontage of each property. These methods are not recommended because there is no correlation between these methods and the cost of providing service to each lot or the benefit to each lot.

Each property owner's estimated fair share of the public sewer line is \$0.5590 per square foot of lot served. Each owner's fair share would be limited to \$6,000 to the extent that it does not exceed \$15,000, for connections completed within three years of City Council approval of the final City Engineer's Report following construction in accordance with Resolution No. 01-46 (attached). In addition to paying for the first \$6,000, owners will remain responsible for paying all actual costs that exceed \$15,000. Upon request, payment of costs that exceed \$15,000 may be deferred until the lot is developed, as provided by Resolution No. 03-55 (attached).

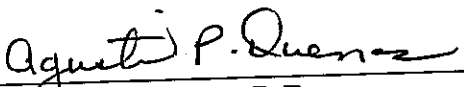
Annual Fee Adjustment

TMC 13.09.115 states that an annual percentage rate shall be applied to each property owner's fair share of the sewer line costs on the anniversary date of the reimbursement agreement. The Finance Director has set the annual interest rate at 6.05% as stated in City of Tigard Resolution No. 98-22.

Recommendation

It is recommended that a reimbursement district be formed with an annual fee increase as indicated above and that the reimbursement district continue for fifteen years as provided in the Tigard Municipal Code (TMC) 13.09.110(5). Fifteen years after the formation of the reimbursement district, properties connecting to the sewer would no longer be required to pay the reimbursement fee.

Submitted July 26, 2005


Agustin P. Duenas, P.E.
City Engineer

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ASH AVENUE
Reimbursement District No. 35

Estimated Cost to Property Owners
July 14, 2005

OWNER	SITE ADDRESS	TAX LOT ID	AREA (S.F.)	ESTIMATED COST TO PROPERTY OWNER	PAID BY OWNER	PAID BY CITY
ADAMS VERNE E	13565 SW ASH AVE	2S102CD01400	11699.288	\$6,540	\$6,000	\$540
BOONE JOE	13605 SW ASH AVE	2S102CD01800	10352.072	\$5,787	\$5,787	\$0
COX FAMILY TRUST	13580 SW ASH AVE	2S102CD02704	26706.496	\$14,929	\$6,000	\$8,929
DIGMAN DONALD C	13600 SW ASH AVE	2S102CD02710	25721.062	\$14,378	\$6,000	\$8,378
OLSON NORRIS A	13660 SW ASH AVE	2S102CD02713	24475.364	\$13,682	\$6,000	\$7,682
OSTROSKA WILLIAM L	13680 SW ASH AVE	2S102CD02716	25319.664	\$14,154	\$6,000	\$8,154
REDLINGER ELIZABETH	13630 SW ASH AVE	2S102CD02707	25103.723	\$14,033	\$6,000	\$8,033
THOMAS ROY F	13560 SW ASH AVE	2S102CD02708	27180.662	\$15,194	\$6,194	\$9,000
YARGER SEAN & APRIL	13585 SW ASH AVE	2S102CD01600	20604.994	\$11,518	\$6,000	\$5,518
Totals			197163	\$110,215	\$53,981	\$56,234
(Cost to Owners + Cost to City)						\$110,215

ASH AVENUE
Reimbursement District No. 35
Estimated Cost to Property Owners
Summary
July 14, 2005

Estimated Construction Cost	\$84,440
15% contingency (construction)	\$12,666
Estimated construction subtotal	\$97,106
13.5% contingency (Admin & Eng)	\$13,109
total project costs	\$110,215
total area to be served (S.F.)	197,163
total cost per S.F. to property owner	\$0.55900513

The "estimated cost to property owner" column shows the estimated reimbursement fee each owner is required to pay to connect to the sewer. There are no requirements to connect to the sewer or pay any fees until the owner decides to connect to the sewer. The final reimbursement fee will be determined once construction is complete and final costs are determined.

The amount each property owner will be required to pay will be limited to \$6,000 for connections completed within three years of City Council approval of the final City Engineer's Report following construction, in accordance with Resolution 01-46. This amount is shown in the "paid by owner" column. The remaining portion of the reimbursement fee that the owner will not be required to pay during this three year period is shown in the "paid by city" column.

Please note that this resolution also requires the owner to pay any fair share amounts that exceed \$15,000. Consequently, if the final fair share for an owner exceeds \$15,000, the owner would be required to pay \$6,000 plus the amount the fair share exceeds \$15,000. Under Resolution 03-55, payment of the amount in excess of \$15,000 may be deferred until the owner's lot is developed.

The owner would also be required to pay a connection fee; \$2,635 following June 30, 2005, at the time of connection to the sewer. In addition, property owners are responsible for disconnecting their existing septic system according to Washington County rules and for any other modifications necessary to connect to the public sewer.

These costs will be explained during the Neighborhood Meeting and there will be an opportunity to ask questions.

ASH AVENUE
 FY 2005-06 SANITARY SEWER EXTENSION PROGRAM
 REIMBURSEMENT DISTRICT #35

A PORTION OF THE SW 1/4 OF SECTION 2 T2S R1W W.M.



NOTE:

All properties in the reimbursement district are zoned R4.5

EXHIBIT B

NTS